

IN THE UNITED STATES DISTRICT COURT FOR THE  
EASTERN DISTRICT OF VIRGINIA  
NEWPORT NEWS DIVISION

UNITED STATES OF AMERICA )

v. )

JOHN CECIL MCBRIDE )

CRIMINAL NO. 4:05cr9

STATEMENT OF FACTS

If the United States were to try this case, the evidence that would be proved beyond a reasonable doubt would be:

That the Department of Homeland Security, Immigration and Customs Enforcement, also known as ICE, in conjunction with the Peninsula Narcotics Enforcement Task Force, began investigating a large-scale drug conspiracy, in which members of the conspiracy were importing cocaine and marijuana into the United States of America from Mexico to Texas for further distribution in the Eastern District of Virginia and elsewhere. The initial information regarding the members of the drug conspiracy came from three cooperating defendants in an unrelated case in 2003, who began cooperating with the United States pursuant to federal plea agreements.

After receiving the information, agents and task force agents began researching the connection between the co-conspirators by subpoenaing and analyzing records including: arrest reports, vehicle ownership, property ownership, telephone records, Western Union wire

transfers, money orders, cashier's checks, hotel records, airline records, rental car records, credit card records, bank records, and self-storage facility records.

The defendant, JOHN CECIL MCBRIDE is charged in a money laundering conspiracy for which the underlying specified unlawful activity is a drug conspiracy involving drug weights in excess of 1000 kilograms of Marijuana, five (5) kilograms of Cocaine and five (5) grams of Cocaine Base.

Based upon the aforementioned information, it was determined that JOHN CECIL MCBRIDE laundered drug money for co-conspirator, Aaron Levon Burton, and co-defendants, Ricardo Prendez Gonzalez, a/k/a Joe Rodriguez, and James Frank Smallwood.


With respect to Aaron Burton, in February 1998, JOHN CECIL MCBRIDE assisted in the purchase of a 1998 Chrysler Town & Country minivan for \$34,556.05 at Pomoco Chrysler Plymouth in Newport News, Virginia. JOHN CECIL MCBRIDE recruited co-defendant, Pamela Hoffer-Riddick, to become a nominee for Aaron Burton in the purchase of the Chrysler minivan. Pamela Hoffer-Riddick made the \$8,000 down payment at Pomoco Chrysler Plymouth on the Chrysler minivan with a cashier's check that was purchased through JOHN CECIL MCBRIDE's bank account at Crestar Bank, now SunTrust Bank. To cover the purchase of the cashier's check, the drug proceeds of Aaron Burton were deposited by JOHN CECIL MCBRIDE into his bank account at Crestar Bank.

For the next two years the vehicle registration, personal property tax, and insurance documents reflecting the owner/operator of the Chrysler minivan as Pamela Hoffer-Riddick

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[Signature]

were sent to her at her residence, where they were in turn paid by either JOHN CECIL MCBRIDE or Aaron Burton. JOHN CECIL MCBRIDE also made 13 monthly payments totaling \$6,297.80 from his account at First Union National Bank, now Wachovia Bank, to Chrysler Financial, where the Chrysler minivan was financed in the name of Pamela Hoffler-Riddick. In September 2000, JOHN CECIL MCBRIDE structured a deposit at the Virginia Educators Credit Union (VECU) in United States currency on two different banking days totaling \$16,650 and then obtained two checks totaling \$16,629.74 to pay-off the remaining balance owed Chrysler Financial.

From May 1999 to November 2002, JOHN CECIL MCBRIDE assisted in the purchase of five pieces of real estate for Aaron Burton located at 329 Center Street, 222 Syms Street, 323 E. Pembroke Avenue and 502 Marshall Street, all in Hampton, Virginia, and one located at 5525 Germain Road in Richmond, Virginia. The purchase price of these properties, all titled in the name of Aaron Burton, totaled approximately \$500,000. JOHN CECIL MCBRIDE laundered \$157,230 in drug proceeds obtained from Aaron Burton by using cashier's checks, official checks and personal checks later presented by Aaron Burton as the down payments on these properties. JOHN CECIL MCBRIDE accomplished the laundering of the drug proceeds in a number of ways but primarily involved (a) the depositing of United States currency into various bank accounts and then obtaining checks from those bank accounts and (b) purchasing cashier's checks or soliciting others including co-defendant, Pamela Hoffler-Riddick, to purchase cashier's checks and official checks with United States currency.



Occasionally, the purchase of the initial cashier's checks was layered by purchasing additional cashier's checks, which were then deposited to either personal or business bank accounts controlled by JOHN CECIL MCBRIDE, where still other checks were generated. In one instance, after JOHN CECIL MCBRIDE provided \$10,000 in United States currency to Pamela Hoffer-Riddick to purchase cashier's checks, Pamela Hoffer-Riddick then recruited another individual to purchase those cashier's checks. Those cashier's checks were then given to Pamela Hoffer-Riddick, who in turn gave them to JOHN CECIL MCBRIDE and they were eventually used as part of the down payment of 329 Center Street, Hampton, Virginia, by Aaron Burton.

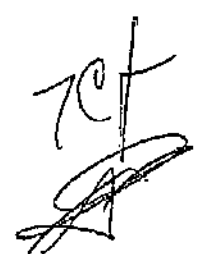
With respect to Ricardo Prendez Gonzalez, a/k/a Joe Rodriguez, JOHN CECIL MCBRIDE obtained two loans in his name approved by co-defendant, Gloria Green, at the VECU to finance two vehicles purchased in the name of Joe Rodriguez at Pomoco Nissan of Hampton from co-defendant, Robert Darr.

On February 14, 2001, Ricardo Prendez Gonzalez, using the alias name of Joe Rodriguez, purchased a 1995 Chevrolet Corvette for \$21,232.75 by paying \$5,000 in United States currency and financing \$16,232.75 arranged through JOHN CECIL MCBRIDE from co-defendant, Gloria Green, at the VECU on February 15, 2001. On February 14, 2001, JOHN CECIL MCBRIDE deposited \$16,233 in United States currency into a business account in the name of TPG, LLC at First Union National Bank, now Wachovia Bank, which was used on February 21, 2001, to pay-off the loan at the VECU in his name.



On March 30, 2001, Ricardo Prendez Gonzalez, using the alias name of Joe Rodriguez, purchased a 1998 Ford Expedition for \$24,741.55 by paying \$9,000 in United States currency and financing \$15,741.55 arranged through JOHN CECIL MCBRIDE from co-defendant, Gloria Green, at the VECU on April 4, 2001. On April 3, 2001, JOHN CECIL MCBRIDE faxed a Pomoco buyer's order from his place of employment at First Union Securities, now Wachovia Securities, in Newport News, Virginia, to the VECU, which had been changed to reflect the buyer as JOHN MCBRIDE. On March 4, 9, and 10, 2001, JOHN CECIL MCBRIDE structured three deposits in United States currency totaling \$15,710 into his account at the VECU, which was used on April 10, 2001, to pay-off the loan there in his name.

With respect to co-defendant James Frank Smallwood, telephone conversations were intercepted pursuant to a Court authorized Title III interception of wire communications involving Aaron Burton. According to the intercepted conversations, it was discovered that in 2001, JOHN CECIL MCBRIDE had agreed to launder approximately \$215,000 of James Frank Smallwood's drug proceeds. James Frank Smallwood was to receive payments of approximately \$30,000 per year under the agreement. JOHN CECIL MCBRIDE had difficulty making the scheduled payments, so a consulting agreement was prepared and dated May 13, 2002. Under this agreement, JC McBride Information Services agreed to pay James Frank Smallwood \$40,000 per year as a consultant. On August 15, 2003, JOHN CECIL MCBRIDE sent James Frank Smallwood a letter outlining the problems that he was still having in making the payments but promised that James Frank Smallwood would start receiving payments again.

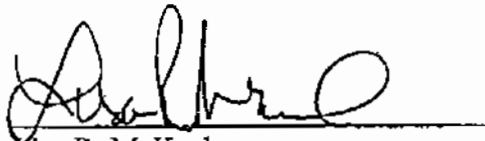


The financial transactions mentioned above represented the drug proceeds of Aaron Burton, Ricardo Prendez Gonzalez, a/k/a Joe Rodriguez, and James Frank Smallwood; the purpose for which was to promote the trafficking of marijuana and cocaine and to disguise the nature, the location, the source, the ownership and control of the proceeds of the specified unlawful activity.

These events occurred in the Eastern District of Virginia and elsewhere.


Respectfully submitted,  
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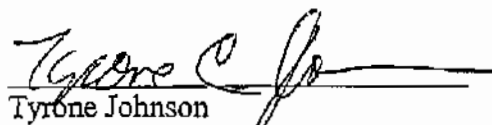


After consulting with my attorney and pursuant to the plea agreement entered into this day between the defendant, and the United States, I hereby stipulate that the above Statement of Facts is a partial summary of the evidence which is true and accurate, and that had the matter proceeded to trial, the United States would have proved the same beyond a reasonable doubt.

  
JOHN CECIL MCBRIDE

5/17/05  
Date

I am JOHN CECIL MCBRIDE's attorney. I have carefully reviewed the above Statement of Facts with him. To my knowledge, his decision to stipulate to these facts is an informed and voluntary one.

  
Tyrone Johnson  
Counsel for Defendant

05-17-05  
Date

